European Community Commentary

A Supplement to *Trade and Industry* Number 10 April 1974

Renegotiation starts: Mr. Callaghan's statement to the Council

On 1 April, James Callaghan, Secretary of State for Foreign and Commonwealth Affairs, made a statement to the Council of Ministers in Luxembourg about the Government's approach to renegotiation of the terms of the UK's entry into the European Economic Community. The text of the statement is reproduced below.

1. Mr. Chairman, with your permission I should like to make a statement about the policy of my Government towards the Community. It will come as no surprise to you that the Labour Government opposes membership of the Community on the terms that were negotiated at the time of our entry in January 1973. We do not consider that they provided for a fair balance of advantages in the Community and we are of the opinion that the terms should have been specifically put to the British people for their approval or otherwise. We wish to put these errors right and if we succeed there will then be a firm basis for continuing British membership of a strengthened Community.

2. We seek to raise with you a number of important questions on which my Government consider a successful renegotiation to be necessary. We shall negotiate in good faith and if we are successful in achieving the right terms we shall put them to our people for approval. But if we fail, we shall submit to the British people the reason why we find the terms unacceptable and consult them on the advisability of negotiating the withdrawal of the United Kingdom from the Community. I am confident that no one in the Community would wish to argue that it would be in the interests of the Community to seek to retain my country as a member against its will but I stress that I do not hope for a negotiation about withdrawal. I would prefer successful renegotiation from which the right terms for continued membership will emerge. To some extent that will depend upon us—but it will also depend upon the attitude of the other partners in the negotiations.

3. For our part, we have made clear—in the Labour Party Manifesto for the recent election—that 'Britain is a European nation, and a Labour Britain would always seek a wider co-operation between the European peoples'. I would now like to quote a passage of fundamental importance to my Government from our Manifesto. In our view the terms of entry negotiated by the previous Government involved, as we have said, 'the imposition of food taxes on top of rising world prices, crippling fresh burdens on our balance of payments, and a draconian curtailment of the power of the British Parliament to settle questions affecting vital British interests'. This is why we are immediately seeking a fundamental renegotiation of the terms of entry, for which we have spelled out our objectives in the following terms—

> **"The Labour Party *opposes* British membership of the European Communities on the terms negotiated by the Conservative Government.**
>
> **We have said that we are ready to renegotiate.**
>
> **In preparing to renegotiate the entry terms, our main objectives are these—**
>
> **Major changes in the Common Agricultural Policy, so that it ceases to be a threat to world trade in food products, and so that low-cost producers outside Europe can continue to have access to the British food market.**
>
> **New and fairer methods of financing the COMMUNITY BUDGET. Neither the taxes that form the so-called 'own resources' of the Communities, nor the purposes, mainly agricultural support, on which the funds are mainly to be spent, are acceptable to us. We would be ready to contribute to Community finances only such sums as were fair in relation to what is paid and what is received by other member countries.**
>
> **As stated earlier, we would reject any kind of international agreement which compelled us to accept increased unemployment for the sake of maintaining a fixed parity, as is required by current proposals for a European ECONOMIC AND MONETARY UNION. We believe that the monetary problems of the European countries can be resolved only in a world-wide framework.**
>
> **The retention by PARLIAMENT of those powers over the British economy needed to pursue effective regional, industrial and fiscal policies. Equally we need an agreement on capital movements which protects our balance of payments and full employment policies. The economic interests of the COMMONWEALTH and the DEVELOPING COUNTRIES must be better safeguarded. This involves securing continued access to the British market and, more generally, the adoption by an enlarged Community of trade and aid policies designed to benefit not just 'associated overseas territories' in Africa, but developing countries throughout the world.**
>
> **No harmonisation of VALUE ADDED TAX which would require us to tax necessities.**

If renegotiations are successful, it is the policy of the Labour Party that, in view of the unique importance of the decision, the people should have the right to decide the issue through a General Election or a Consultative Referendum. If these two tests are passed, a successful renegotiation and the expressed approval of the majority of the British people, then we shall be ready to play our full part in developing a new and wider Europe.

If renegotiations do not succeed, we shall not regard the Treaty obligations as binding upon us. We shall then put to the British people the reasons why we find the new terms unacceptable, and consult them on the advisability of negotiating our withdrawal from the Communities.

An incoming Labour Government will immediately set in train the procedures designed to achieve an early result and whilst the negotiations proceed, and until the British people have voted, we shall stop further processes of integration, particularly as they affect food taxes. The Government will be free to take decisions, subject to the authority of Parliament, in cases where decisions of the Common Market prejudge the negotiations. Thus, the right to decide the final issue of British entry into the Market will be restored to the British people."

4. My Government now propose that we should consider together how these objectives can be met. In view of the great importance of the issue of membership of the Community, my Government is now engaged in a root and branch review of the effect of Community policies and will place before you in due course in detail the proposals which we would wish to see the Community adopt in order to remedy the situation. In particular, we are examining with great care the working of the Common Agricultural Policy; the estimates for future contributions to and receipts from the Community budget; the Community's trade and aid policies towards the Commonwealth and developing countries and how far in practice the existing rules, as they are interpreted, interfere with the powers over the British economy which we need to pursue effective regional, industrial and fiscal policies. As soon as this review is completed, we shall be ready to put forward proposals for the changes which will in our view be necessary if Britain is to remain a member of the Community and thus, as the Manifesto put it, 'to play our full part in developing a new and wider Europe'.

5. Why do my Government, and indeed the British people, question whether all is well in the Community as it is and why are we planning to seek changes?

6. First, we were deeply concerned by the resolutions of March 1971 and 1972 which were confirmed at the Summit Meeting of October 1972. They seemed to lay down a rigid programme under which Economic and Monetary Union, including permanently fixed parities, would be achieved by 1980. This seemed to us to be dangerously over-ambitious: over-ambitious because the chances of achieving by 1980 the requisite degree of convergence of the rates of growth of productivity and wages rates, of investment and savings, seemed to us to be very small: dangerous because of the impossibility for any country, particularly a country with a relatively low growth rate, to manage its own economy efficiently and provide for full employment if it accepted permanently fixed parities without such convergence having been achieved. I understand that much new thinking is going on in the Community on the subject of Economic and Monetary Union and that the proposals now being considered for a second stage in it do not provide for automatic movement towards permanently fixed parities. You will find our objections very much lessened if we can all agree that there can be no question of trying to force the pace, of compelling member countries to accept permanently fixed parities if this means accepting massive unemployment or before their economies are ready.

7. Then we are concerned at another phrase from the Paris Summit Communiqué—at the intention there stated of transforming the whole complex of the relations of member states into a European Union by 1980. What does this mean? Is it to be taken literally? It seems to us to imply a change which is quite unrealistic and not desired by our peoples, certainly not by the British people. I understand that work on clarifying this issue is about to begin within the Community. I shall watch carefully to see if this clarification will help to relieve our anxieties.

8. Then there is the Common Agricultural Policy. The position of the United Kingdom is different from that of the other Members of the Community in an important sense. We import a very much larger proportion of our food and, if we have to pay a high price for these imports, this can impose a heavy burden on our balance of payments. This is much more of a problem for us than for other Members. We are of course aware that the Community's prices are at present lower than they were relative to other Community prices and that many of them are now below world prices. But how long will this last? We are unable to agree to perpetuate policies that would allow the butter mountains and the cheap butter sales to Russia to recur. Are you sure that there will be no future mountain of beef in store? Have the interests of the consumer been sufficiently safeguarded? Could overseas producers have better access to Community markets? Is financial control sufficiently strict? It is our view that more needs to be done to keep down the cost of the CAP which accounts for 80 per cent of the Community budget. At present the system does not take sufficient account of the differing interests and circumstances of member countries. It confers privileges on some and imposes unfair burdens on others. That is why we shall certainly be proposing major changes.

9. Then there is the question of the trade of Commonwealth and developing countries, which is linked with the Common Agricultural Policy because of the need to offer a fair deal to the Community's consumers as well as to the suppliers overseas. We are not satisfied that the arrangements made in the entry negotiations are as good as they should have been, for the one or for the other. We have in mind not only sugar and New Zealand butter, but the position of those Commonwealth countries for whom the option of Association is not open. Apart from changes in the field of the Common Agricultural Policy, no doubt the general position could be improved if the Community's generalised preference scheme undergoes serious improvement both in the industrial and agricultural sectors; if the Community when it comes to draw up its detailed mandate for the multilateral trade negotiations takes a liberal attitude, especially about agricultural trade; and if the Protocol 22 negotiations result in really generous terms for access to our markets of developing countries' agricultural products, which is on the whole what they want to sell, as well as for their industrial products. There is also the field of aid in which in our view the Community should look wider than those countries eligible for association. We are examining this whole field most carefully in the context of renegotiation in order to see what should be done.

10. I turn next to the question whether existing rules interfere with the powers over the British economy which we need to pursue effective regional, industrial, fiscal and counter-inflationary policies. We want to be sure that, in cases where jobs are in danger or where there is a need to sustain and develop valuable industrial capacity, we can give aid quickly and effectively. To give another example, co-ordination of regional aids can usefully prevent overbidding for internationally available funds. But there is a major difference between those regional problems which are mainly agricultural and those which are mainly industrial. We want to make sure, in particular, that, against this background, we can continue to give our own assisted areas the help which they need.

Continued on page 12

Eliminating technical barriers to trade within the EEC

Article 100: check-list of draft and adopted Directives

Below we print the usual quarterly revision of our check-list showing the Directives proposed, approved or adopted under Article 100 of the Treaty of Rome. The last list was published in the January 1974 issue of *European Community Commentary*.

A word on publication of draft and adopted Directives. The 'L' (Legislation) series of the EEC *Official Journal* **carries the texts of adopted Directives, and the 'C' (Information and Notices) series carries the texts of Commission proposals as first submitted to the Council. Preliminary drafts (which are really nothing more than working documents for Commission Working Groups), and Council revisions of Commissions proposals, are** *not* **published. In the list below, the dates of issues of the** *Official Journal* **containing texts of adopted and proposed Directives are given where they are known. The Journal has appeared in English only since 1 January 1973, but the English texts of adopted Directives published before then (together with all other pre-accession Community legislation) were issued in a series of Special Editions of the** *Official Journal* **in December 1972.**

The *Official Journal* **is published by HM Stationery Office.**

Subject	Reference of Directive or latest draft received	Status (where applicable)
Motor vehicles		
Type approval	70/156/EEC of 6.2.70	Directive (OJ 23.2.70)
Rear registration plates	70/222/EEC of 20.3.70	Directive (OJ 6.4.70)
Noise levels, silencers	70/157/EEC of 6.2.70	Directive (OJ 23.2.70)
	Adapted to technical progress by 73/350/EEC of 7.11.73	Directive (OJ 22.11.73)
Fuel tanks and rear protective devices	70/221/EEC of 20.3.70	Directive (OJ 6.4.70)
Audible warning devices	70/388/EEC of 27.7.70	Directive (OJ 10.8.70)
Atmospheric pollution by motor vehicles with positive-ignition (spark-ignition) engines	70/220/EEC of 20.3.70 74/132/EEC of 11.2.74	Directive (OJ 6.4.70) Commission proposal for technical progress adaptation of Directive
Steering equipment	70/311/EEC of 8.6.70	Directive (OJ 18.6.70)
Access (doors, running boards)	70/387/EEC of 27.7.70	Directive (OJ 10.8.70)
Suppression of radio interference	72/245/EEC of 20.6.72	Directive (OJ 6.7.72)
Lighting and light signalling equipment (including direction indicators)	COM(73)2024 FINAL	Commission proposal
Windscreen washers	COM(68)633 FINAL	Commission proposal withdrawn. Further work in hand
Field of vision and windscreen wipers	COM(68)633 FINAL	Commission proposal withdrawn. Further work in hand
Rear-view mirrors	71/127/EEC of 1.3.71	Directive (OJ 22.3.71)
Electrical connections between vehicles and their trailers	COM(68)633 FINAL	Commission prroposal withdrawn. Further work in hand
Speedometers	Work started but no papers yet available	
Electrical circuits	Work not started	
Maximum speed (method of determination)	Work not started	
Braking devices	71/320/EEC of 26.7.71 74/132/EEC of 11.2.74	Directive (OJ 6.9.71) Technical progress amendment of 71/320/EEC (OJ 19.3.74)
Safety glass	COM(72)981 FINAL	Commission proposal (OJ 16.11.72)
Interior fittings (interior parts of the passenger compartment other than interior rear-view mirrors, layout of controls, roof or sliding roof, backrest and rear part of seats)	74/60/EEC of 17.12.73	Directive (OJ 11.2.74)
Tyres	XI/591/73	Preliminary draft
Mechanical coupling equipment between vehicles and trailers	Work started but no papers yet available	
Anchor points for safety belts	XI/352/73 Rev 2	Preliminary draft
Atmospheric pollution by motor vehicles with diesel fuelled (compression ignition) engines	72/306/EEC of 2.8.72	Directive (OJ 20.8.72)
External projections (previously exterior fittings)	COM(73)2128 FINAL	Commission proposal
Head rests	III/706/72 Rev 2	Preliminary draft
Anti-theft devices	74/61/EEC of 17.12.73	Directive (OJ 11.2.74)
Strength of seats and their anchorages	COM(73)682 FINAL COM(74)146 FINAL	Commission proposal (OJ 26.10.73) Commission amending proposal
Behaviour of the steering mechanism in case of impact	COM(72)955 FINAL	Commission proposal (OJ 16.11.72)
Safety belts	XI/73/73	Preliminary draft
Location and attachments of statutory plates, and inscriptions (previously identification plates)	XI/441/73	Preliminary draft
Reverse gear	Work started but no papers yet available	
De-icing	Work started but no papers yet available	
Interior fittings—identification of controls	Work not started	
Interior fittings—seats (other than strength of seats and their anchorages)	Work not started	
Special provisions for public service vehicles	Work started but no papers yet available	
Special provisions for taxis	Work not started	
Special provision for goods vehicles	Workstarted but no papers yet available	
Towing brackets	Work started but no papers yet available	
Stands (béquille)		
Reflex reflecting devices	COM(73)2124 FINAL	Commission proposal
Fog lights	COM(73)2123 FINAL	Commission proposal
Trailer legs (new item)	XI/508/73 Rev 1	Preliminary draft
Tractors and agricultural machinery		
Type approval	74/150/EEC of 4.3.74	Directive (OJ 28.3.74)
Maximum speed and Loading platforms	74/152/EEC of 4.3.74	Directive (OJ 28.3.74)
Sundry characteristics (total permissible laden weight; location of registration plates; fuel tanks; audible warning devices; noise levels and silencers; ballast weights)	74/151/EEC of 4.3.74	Directive (OJ 28.3.74)
Shielding of engines parts and projecting parts	XI/48/74	Preliminary draft following reconsideration of COM(68)565 FINAL
Towable load	COM(68)565 FINAL	Commission proposal
Rear-view mirrors	COM(72)282 FINAL	Commission proposal amending COM(68)565 FINAL
Lighting & light signalling devices	XI/277/73	Preliminary draft
Steering equipment	COM(70)1248 FINAL	Commission proposal amending COM(68)565 FINAL
Electrical connection for supplying trailer lighting & light signalling equipment	XI/269/73	Preliminary draft
Suppression of radio interference	COM(68)565 FINAL	Commission proposal

Check-list of Article 100 Directives continued

Subject	Reference of Directive or latest draft received	Status (where applicable)
Driver's seat	XI/49/74	Preliminary draft
Passenger seat	XI/402/73	Preliminary draft
Coupling between tractor and trailer	COM(68)565 FINAL	Commission proposal
Braking devices	XI/144/73	Preliminary draft
Windscreen and other glass	Work started but no papers yet available	
Atmospheric pollution	Work started but no papers yet available	
Tyres	Work not started	
Power take-off	Work started but no papers yet available	
Field of vision (including windscreen wipers)	COM(68)565 FINAL COM(73)2091 FINAL	Commission proposal Commission amending proposal
Location and attachment of statutory plates and inscriptions	Work started but no papers yet available	
Length, width and unladen height	Work started but no papers yet available	
Maximum authorised weight on each axle and distribution of weight between axles	Work started but no papers yet available	
Maximum vertical load at coupling point	XI/509/73	Preliminary draft
Speed governor	Work started but no papers yet available	
Reverse gear	Work started but no papers yet available	
Safety cabs and frames	XI/349/73	Preliminary draft
Other means of protection against the weather	Work started but no papers yet available	
Location of controls	XI/44/74	Preliminary draft
Coupling Hooks	Work started but no papers yet available	
Noise level at the driver's ear	COM(74)316 FINAL	Commission proposal
Measuring instruments and measures		
General directive	71/316/EEC of 26.7.71 72/427/EEC of 19.12.72	Directive (OJ 6.9.71) Amending directive (OJ 28.12.72)
Clinical thermometers	COM(66)124 FINAL	Commission propsal
Medium precision weights	71/317/EEC of 26.7.71	Directive (OJ 6.9.71)
Measurement of the standard mass per storage volume of grain	71/347/EEC of 12.10.71	Directive (OJ 25.10.71)
Calibration of ships' tanks	71/349/EEC of 12.10.71	Directive (OJ 25.10.71)
Measures of length	73/362/EEC of 19.11.73	Directive (OJ 5.12.73)
Non-automatic weighing machines	73/360/EEC of 19.11.73	Directive (OJ 5.12.73)
Electricity meters	COM(73)276 FINAL	Commission proposal (OJ 26.10.73)
Meters for liquids other than water	71/319/EEC of 26.7.71	Directive (OJ 6.9.71)
Meters for liquids other than water-measuring systems	III/1090/72	Preliminary draft
Meters for liquids other than water-ancillary equipment	71/348/EEC of 12.10.71	Directive (OJ 25.10.71)
Gas volume meters	71/318/EEC of 26.7.71 XI/718/73	Directive (OJ 6.9.71) Preliminary draft (technical progress amendment)
Making-up by volume of certain prepackaged liquids Bottles used for measuring containers	COM(72)202 FINAL	Commission proposal (29.2.72) (subsequently revised
Cold water meters (previously water meters)	COM(73)595 FINAL	Commission proposal (26.10.73)
Hot water meters (new item)	Work not yet started	
Heat meters	Work not yet started	
Road and rail tanks used as measuring containers	III/697/72 Rev 1	Preliminary draft
Taximeters	Work started but no papers yet available	
Alcohol meters	Work started but no papers yet available	
Saccharimeters	Work started but no papers yet available	
Belt weighers	COM(73)597 FINAL	Commission proposal (26.10.73)
Instruments for determining the fat content of dairy produce	Work started but no papers yet available	
Manometers	III/1919/72	Preliminary draft in abeyance Further work in hand
Apparatus for measuring arterial pressure	Work started but no papers yet available	
Fine precision weights	74/148/EEC of 4.3.74	Directive (OJ 28.3.74)
Instruments for measuring humidity in grain	Work started but no papers yet available	
Electronic devices fitted to measuring instruments	Work started but no papers yet available	
Units of measurement	71/354/EEC of 18.10.71	Directive (OJ 29.10..71)
Automatic checkweighers	III/1918/72	Preliminary draft
Making up by weight or by volume of certain pre-packaged products	COM(73)1731 FINAL	Commission proposal
Differential pressure gasmeters	Work not yet started	
Standardisation of prepackages (new item)	Work started but no papers yet available	
Fees and charges for testing gas meters (new item)	Work started but no papers yet available	
Instruments for measuring pollution (new item),	Work not yet started	
Electrical		
Electrical equipment designed for use between certain voltage limits	73/23/EEC of 19.2.73	Directive (OJ 26.3.73)
Electro-medical equipment	XI/543/73	Preliminary draft
Electro-radiological equipment	XI/590/73	Preliminary draft
Electrical equipment for use in explosive atmospheres	COM(70)1138 FINAL	Commission proposal
Suppression of radio interference from domestic equipment, portable tools and similar equipment	COM(72)853 FINAL	Commission proposal (Not yet published)
Suppression of radio interference from fluorescent lamps	COM(72)853 FINAL	Commission proposal (Not yet published)
Suppression of radio interference from radio and television sets	COM(73)569 FINAL	Commission proposal (OJ 26.10.73)
Suppression of radio interference from industrial, scientific and medical equipment	Work started but no papers yet available	
Plugs and sockets	Work started but no papers yet available	
Textiles		
Textile names	71/307/EEC of 26.7.71	Directive (OJ 16.8.71) New Commission proposa for amendment of directive awaited
Textiles (binary mixtures)	72/276/EEC of 17.7.72	Directive (OJ 31.7.72)
Textiles (ternary mixtures)	73/44/EEC of 26.2.73	Directive (OJ 30.3.73)
Quantitative analysis of mixtures of fibres of the same chemical nature	Work started but no papers yet available	
Elimination of foreign matter	Work started but no papers yet available	
Pressure vessels		
General directive	COM(72)1689 FINAL	Commission proposal (Not yet published)
Seamless steel gas cylinders	COM(72)1689 FINAL	Commission proposal (Not yet published)
Aerosols	COM(73)415 FINAL XI/4/74	Commission proposal Proposed adaptation
Seamless aluminium gas cylinders	III/2209/72 Rev 1	Preliminary draft
Welded steel gas cylinders	III/230/73	Preliminary draft
Dangerous substances and preparations		
General (classification, packaging, and labelling)	67/548/EEC of 27.6.67 73/146/EEC of 21.5.73 COM(73)1140 FINAL XI/586/73	Directive (OJ 16.8.67) Amending directive (OJ 25.6.73) Commission amending proposal (OJ 31.10.73) Draft modification of Commission amending proposal
Pesticides	III/232/73	Preliminary draft
Explosives	13269/III/70	Preliminary draft
Solvents	73/173/EEC of 4.6.73	Directive (OJ 11.7.73)
Paints, varnishes, printing inks, glues etc	XI/248/73	Preliminary draft
Household products	III/425/72	Preliminary draft
Corrosives	Work started but no papers yet available	
Detergents	73/404/EEC of 22.11.73	Directive (OJ 17.12.73)
Anionic surface agents	73/405/EEC of 22.11.73	Directive (OJ 17.12.73)
Non-ionic surface agents	Work started but no papers yet available	
Detergents – toxicity	Work started but no papers yet available	
Dangerous substances – limitations on sale and use (new item)	XI/36/74	Preliminary draft
Lifts and lifting apparatus		
Wire ropes, chains and hooks	73/361/EEC of 19.11.73	Directive (OJ 5.12.73)
Lifts and lifting apparatus – General Directive (retitled)	Unreferenced	Preliminary draft
Cranes	Work started but no papers yet available	
Hoists (monte-matériaux de chantier)	Work started but no papers yet available	
Conveyor-belts	Work started but no papers yet available	
Electric passenger lifts (new item)	Unreferenced	Preliminary draft
Tools and machine tools		
Grinding wheels and grinding machines	Work started but no papers yet available	

Subject	Reference of Directive or latest draft received	Status (where applicable)
Woodworking machines	Work started but no papers yet available	
Crystal glass		
Crystal glass	69/493/EEC of 15.12.69	Directive (OJ 29.12.69)
Oil pipelines		
Oil pipelines (construction)	COM(68)640 FINAL	Work on this proposal suspended in favour of an initial standardisation in CEN
Precious metals		
Precious metals	XI/82/74	Preliminary draft
Gas appliances		
General	XI/129/73 Rev 3	Preliminary draft
Instantaneous water heaters	Work started on consideration of latest CEN document	
Cookers	Work started but no papers yet available	
Central heating boilers	Work started but no papers yet available	
Gas governers	Work started but no papers yet available	
Independent space heaters	Work started but no papers yet available	
Fertilisers		
General	COM(71)1500 FINAL	Commission proposal (OJ 15.3.72)
	COM(73)1734 FINAL	Commission amending proposal
Sampling and methods of analysis	10.388/III/67 Rev 1	Preliminary draft
Nitrate of ammonia	Work started but no papers yet available	
Gas pipelines		
Gas pipelines (construction)	18.871/III/69	Work on this proposal suspended in favour of initial standardisation in CEN
Fuels		
Lead in petrol	COM(73)2050 FINAL	Commission proposal (OJ 31.1.74)
Sulphur in gas oils (re-titled)	COM(74)158 FINAL	Commission proposal
Rubber and plastic		
Reinforced plastic tanks for carriage of dangerous substances by road	COM(71)1446 FINAL	Commission proposal (OJ 15.3.72)
Construction materials		
Cement	Work started but no papers yet received	
Ceramic tiles	Work started but no papers yet received	
Glass	Work started but no papers yet received	
PVC pipes	Work started but no papers yet received	
Fire resistance	Work started but no papers yet received	
Construction equipment	Work started but no papers yet received	
Mopeds		
Type approval	COM(72)1645 FINAL	Commission proposal
	COM(73)1732 FINAL	Commission amending proposal
Motor cycles	Work not yet started	
Non-military arms and ammunition (re-titled)	Work started but no papers yet received	
Firefighting equipment	Work not yet started	
Metal scaffolding	Work not yet started	
Packaging materials	Work not yet started	
Educational materials	Work not yet started	
Equipment using ionising rays	Work started but no papers yet received	
Protective clothing and equipment	Work not yet started	
Pleasure boats	Work not yet started	
Cosmetics		
Cosmetic products	COM(72)851 FINAL	Commission proposal (OJ 23.12.72)
	COM(73)1733 FINAL	Commission amending proposal
Leaching of substances into foodstuffs		
General	524/VI/74	Preliminary draft
Materials and objects in glass intended to come into contact with foodstuffs	687/VI/73	Preliminary draft
Materials and objects in stainless steel intended to come into contact with foodstuffs	688/VI/73	Preliminary draft
Lead and cadmium in tableware	XI/121/74	Preliminary draft
Toys	Work started but no papers yet available	

The Community's Business Co-operation Centre

The requests for business partners published below were submitted recently to the Business Co-operation Centre in Brussels by firms seeking its aid.

The Commission of the European Communities set up the Centre last May to encourage co-operation between firms in different Member States wishing to increase competitiveness and respond to the opportunities opened up by access to the Community's markets.

The Centre defines 'co-operation' as the pooling of one or more activities of the partner firms; for example, in research and development (joint research, exchange of research results and know-how), supplies (joint buying, mutual provision of primary products), production (specialisation, joint production, standardisation), marketing and sales (joint market research, joint trademarks, pooling or reciprocal use of sales networks) and management (exchange of management know-how, joint use of management facilities). The ventures may involve financial links, and mergers and amalgamations and the establishment of joint subsidiaries or holding companies also therefore fall within the Centre's terms of reference. Excluded are business links which are purely temporary: for example, the Centre does not get involved in finding suppliers, buyers or sub-contractors, or in aiding firms offering or looking for commercial agencies.

A firm seeking the Centre's help will be asked to provide certain information about itself, and to define exactly what type of partner and what type of co-operation it wants. Armed with this information, the Centre will then search its files for a suitable partner, and, if the application cannot be matched with an offer already registered, will, if the firm agrees, without mentioning names circulate a summary of the firm's requirements to the 'correspondents' which it has in every country of the Community.

It is as one of the Centre's correspondents in this country that we reproduce the latest batch of requests for co-operation below. Readers wishing to obtain further information should write direct to the Centre at the following address, quoting the reference number of the request(s) in which they are interested: Business Co-operation Centre, 15-17 rue Archimède, B-1040 Brussels. The Centre makes no charge for its services. All inquiries are treated as strictly confidential, and no names are revealed without the agreement of all parties.

Reference BRE/1235/463

Manufacturer of doors and windows in Ireland with selling and distribution organisation covering the country; also manufacturing System Buildings such as schools,

The Business Co-operation Centre

continued

offices, community centres and rural dwellings (small single-unit buildings to house old people); turnover £2.5 million; 450 employees; new (1973) 15,000m² factory; wishes to co-operate with an EEC company in production (complementary products to present line for building industry) and distribution in Ireland and UK. Also interested in joint venture for manufacture and marketing for other markets.
Languages: English.

Reference BRE/1535/24
Medium-sized concrete works in the Munich area; at present producing precast reinforced concrete units for residential building and reinforced concrete swimming pools; 60 employees; DM5.5 million turnover; seeks associate of larger size in UK, Holland or Belgium with experience in the field of solid-walled prefabricated house construction, and prepared to enter into a merger, for setting-up a second works.
Languages: German.

Reference BRE/1166/32
German company manufacturing, marketing and servicing fire-fighting systems (cabinets and equipment), valves and accessories; turnover DM7 million; 100 employees; seeks co-operation on technology, know-how, production and purchasing (sheet metal) with EEC company working in the same field. Merger or majority holding by associate considered.
Languages: German, English, French.

Reference BRE/1280/32
French manufacturer of machines for the textile industry (machines for checking cloths, winding machines for all materials, special machines); turnover BF1,700,000; 28 employees; due to expansion on the French and Belgian markets, seeks link-up with larger firm in EEC engaged in a complementary field for co-operation in research and development and marketing. Holding or merger desirable.
Languages: French, English, German.

Reference BRE/1363/473
Belgian printer; letterpress and offset; specialised in scientific and technical books and magazines; turnover BF70 million; 135 employees; seeks printer or publisher in Holland, France, Luxembourg or UK with a view to co-operating on know-how, production, marketing, sale and purchase. Financial links possible.
Languages: Dutch, French, English, German.

Reference BRE/1120/325
Dutch firm engaged in installation of central heating, air conditioning and escalators; turnover 2,200,000 guilders; seeks association with larger firm in the same branch in Germany or the UK. Shareholding possible.
Languages: Dutch, German, English.

Reference BRE/856/32
French manufacturer of farm hand tools, industrial hand tools, replaceable parts for agricultural machinery (ploughshares, etc.); specialist in light forging and heat-treatments; turnover FF46 million; 540 employees; seeks British or German partner of similar size, manufacturing products with a similar technology or using the same distribution network (garden equipment, small items of workshop equipment, parts for agricultural machinery, light handling equipment, leisure goods), for co-operation in production and joint sales on the European market or in the Mediterranean area. Possibility of developing more elaborate forms of co-operation.
Languages: French, English, German.

Reference BRE/522/32
Belgian firm specialising in the construction of machine tools, particularly lathes; turnover BF50 million; exporting 80 per cent of its output and needing to increase its production capacity and resources; wishes to link up, preferably financially, with similar-sized EEC firm constructing machine tools.
Languages: French, Dutch, English, German.

Reference BRE/1334/364
French firm manufacturing aeroplane seats and service trolleys; subsidiary in Canada; annual turnover FF20 million; seeks associate in EEC with introduction to US airlines, in order to set up joint venture in USA for production and sale of seats and trolleys on US market.
Languages; French, English.

Reference BRE/1305/474
French firm publishing university textbooks; two distributing subsidiaries; annual turnover FF12 million; seeks partner in UK and West Germany for reciprocal distribution of products.
Languages: French, English.

Reference BRE/1513/31
Dutch metalworking firm, with Division specialising in designing, engineering and installation of distillation-trays and accessories for distillation columns in the petroleum and petrochemical industry; also producing different kinds of smaller industrial semi-manufacture; Divisional turnover 8 million guilders; wants, for further development of its existing patents and its sales volume, to collaborate with a substantial British or German company looking for horizontal or vertical integration in this field.
Languages: Dutch, German, English, French.

Reference BRE/1507/456
Irish manufacturer of men's and women's suede leather and sheepskin clothing in a large variety of styles; turnover £200,000; 25 employees; seeks co-operation agreements with producers in other EEC countries in design (exchange of production patterns), production (specialisation through limitation of production to fewer styles) and marketing; financial link might be acceptable.
Languages: English, French.

Reference BRE/1516/50
Irish firm, part of larger group, manufacturing and setting-up system buildings for schools, offices, canteens, lightweight factories and general-purpose buildings in timber; also operating in sports-ground construction, landscaping and ground maintenance; over 200 employees; turnover £2 million; would be interested (with a view to extending present range of production into lightweight concrete systems) in joint venture or other form of association with EEC company in the construction industry; proposed aim of joint venture: coverage of UK market.
Language: English.

Reference BRE/37/34
German producer of measuring instruments and test equipment, electroacoustic, pulse-technique and telecommunications equipment and special electronic equipment; DM4 million turnover; 100 employees; seeks co-operation in production and sales with EEC associates in precision engineering and electronics with 20-150 employeees; financial links possible, perhaps by contributing developments and designs and by licensing.
Languages: German, English.

Reference BRE/685/325
Well-established and well-known German firm engaged in the manufacture and installation of plants for all types of oil lubrication, filtering and emulsion separation, also treatment of industrial waste waters; turnover DM5 million; 50 employees; seeks competent EEC associate with a view to extending its range of supplies into the sector of industrial greases; additional objective: joint action to develop new technologies for treatment of industrial waste waters and destruction of waste material, involving a special drive to industry.
Languages: German, English.

Reference BRE/43/315
German manufacturer of containers, up to 120 m³ in capacity, for storage of light and heavy oil, apparatus and structures for the chemical industry, containers for transport of liquids, especially chemicals and foodstuffs, containers in mild and special steel and in aluminium (all forging alloys); DM8 million turnover; 120 employees; seeks associate in EEC, same size, same or similar branch, with a view to co-operation in production and distribution.
Language: English.

Reference BRE/365/32
Small German engineering works; Aachen area; specialists in drying cylinders and cooling cylinders as units or as components; turnover DM3-4 million; 50-70 employees; seeks French, Italian or British associate in machine construction or engineering for co-operation in production and distribution (also service) with a view to reciprocal representation of interests in respective territories.
Languages: German, English, French.

Reference BRE/203/83
Major German computer centre; turnover more than DM10 million; 164 employees; possesses departments for development of software, and for distribution throughout the Federal Republic of Germany of its own and other proven software (system software) to firms with medium and large computers; seeks co-operation in development and distribution via reciprocal licensing arrangements for high-quality software products; partners should be well-established software firm or a business consultant in the EDP sector, or a similar firm of the same size or smaller, but

Continued on page 8

EEC – your questions answered

Any firm trading with other Member States of the EEC soon realises how difficult life can be without a fair knowledge of the Community's processes and procedures. . . . 'What is Community surveillance? Who is who in the Commission? Are there tariff preferences on imports from EEC-associated countries? . . .' These are the types of question to which answers are needed. If your firm is having difficulty in finding the answers, however, there is a Government organisation to which you can turn: the EEC Information Unit. The Unit was set up specifically to help firms – small or large – overcome the difficulties posed by the United Kingdom's accession to the EEC, and a telephone call will result either in an immediate answer to your inquiry or a reference to a source from which the answer can be obtained.
The questions instanced above were in fact taken from the many on which the Unit's assistance was sought last month. The Unit's replies are given below.

Q. I understand that the Ivory Coast is associated wth the EEC. Will I benefit from any tariff preferences on my imports from that country?

A. The Ivory Coast is one of the 19 African and Malagasy States associated with the six original Member States under the terms of the Yaoundé Convention providing for preferential treatment on trade between the Six and the AASM (Association of African and Malagasy States). As this Convention expires on 31 January 1975, it was decided, when the UK, Denmark and the Republic of Ireland acceded to the Community last year, that the new members should not apply its provisions, but should wait until a new Convention had been agreed to take account of the enlargement of the Community (see *European Community Commentary* No. 5).

Until the new Convention comes into force, certain duty standstill arrangements apply to imports into the UK from the AASM where the duty would otherwise have been increased on 1 January 1974 as a result of the UK's first move towards aligning its Tariff with the CCT of the Community. In these cases (the goods concerned and their standstill rates of duty are listed in *Part 10A* of the UK Tariff) the import duty remains at the 1973 level. In the case of goods where, as a result of the move towards alignment, the UK full rate is reduced or remains the same, imports from the AASM are admitted at this full duty rate.

UK importers can claim standstill treatment provided the AASM goods satisfy certain origin and consignment conditions. The conditions and the necessary documentary evidence are dealt with in *Customs Notice No. 831*, 'Standstill duties on goods from certain countries associated with the EEC', copies of which can be obtained at any Office of a Collector of Customs and Excise in the UK, or from HM Customs and Excise, Room 357, Kings Beam House, Mark Lane, London EC3R 7HE.

The AASM are beneficiaries under the Generalised System of Preferences (GSP), and the GSP scheme operated by the UK during 1972 and 1973 continues to apply in full to these countries. This means that goods which were eligible for importation into the UK from the AASM under that scheme may continue to be imported at the same rates of duty as hitherto, provided they comply with the UK GSP origin and consignment rules, without being counted against the quotas and ceilings which are a feature of the EEC GSP scheme.

Some of the goods included in the 1974 GSP scheme of the enlarged Community were not within the scope of the UK scheme. Such goods imported into the United Kingdom from the AASM are eligible for GSP rates of duty under the rules and conditions (including quotas and ceilings) of the EEC GSP scheme.

Details of all goods eligible for GSP treatment, and of the rates of duty applicable, are given in *Part 10B* of the UK Tariff. Further information about the Generalised System of Preferences may be obtained from HM Customs & Excise, IC Division F, Branch 2, Adelaide House, London Bridge, London EC4R 9DB (Tel: 01-626 1515, Ext. 2310).

Q. I understand that certain products I wish to import are subject to Community surveillance and that a licence is required. What does suveillance mean and how can I get a licence?

A. Where imports from certain non-EEC countries threaten to cause injury to Community manufacturers of similar or directly competing products, or where the interests of the Community require it, products may be made subject to surveillance by the Community. Products under surveillance may enter into free circulation in the Community only on production of a surveillance document as required under *Community Regulation 1025/70/EEC*. Member States submit information obtained from these documents to the Commission, and the Commission can then extend or rescind the surveillance or, if necessary, impose quantitative restrictions to protect Community producers.

The licences are valid only for a three-month period, and are issued on a consignment basis, as information has to be submitted monthly to the Commission. Individual import licences required for surveillance (ask for *application form ILB/A*), and lists of goods currently under surveillance, can be obtained from Import Licensing Branch, Tariff Division, Department of Trade, 16-20 Great Smith Street, London SW1B 3DB.

Q. I wish to write to the Commission about a business matter. Is there any publication which lists the names of officials and their functions?

A. A 'Directory of the Commission of the European Communities' has been recently published which lists the Directorates-General of the Commission and gives the names of senior staff, together with their functions and responsibilities. Also included are the names and duties of the Commissioners and their chefs de cabinet, and of senior staff in the following: the Secretariat-General; the Legal Service; the Spokesman's Group; the Statistical Office; the Administration of the Customs Union; the Environment and Consumer Protection Service; the Joint Research Centre; Euratom Supply Agency; the Security Office; and the Office for Official Publications. The staff and activities of the 19 Directorates-General are listed down to the level of Divisional Heads. Addresses and telephone and Telex numbers are given.

The Directory, published as a *Special Supplement* to the *Bulletin of the European Communities*, can be purchased (price 35p) from any branch of HM Bookshop, or ordered from HMSO, PO Box 569, London SE1 9NH.

For answers to *your* questions, contact the EEC Information Unit, 1 Victoria Street, London SW1H 0ET. Tel: 01-222 7877 – Ext. 3591 for publications; Exts. 5377, 5479, 5480 or 3579 for questions on EEC matters.

Economic Indicators of the EEC

These tables have been prepared for the convenience of users who do not have access to the sources themselves; international publications (as indicated) have been used, supplemented by later reports where possible. In addition to the Member States of the EEC, the United States and Japan have been included for comparison.

The form of presentation adopted – indicators by subject – is for convenience only, and it must not be assumed that the indicators in the same table for different countries are strictly comparable. An attempt has been made to indicate major differences of definition, but the coverage and methods of collection vary considerably; this is partly due to different administrative procedures in various countries. Fuller details may be obtained from the sources indicated, and from the national publications of the countries concerned.

An extensive bibliography – 'Sources of Statistics: 2. The European Economic Community' – which lists publications in the Statistics and Market Intelligence Library of the Department of Trade, is obtainable on request to the library at Export House, 50 Ludgate Hill, London EC4M 7HU (Tel: 01-248 5757, ext. 368). 'Statistical News' No. 21 (May 1973), published by the Central Statistical Office, contains a selected bibliography of statistical publications of the Commission of the European Communities.

TABLE 1 **Industrial Production** (Excluding construction) Seasonally adjusted — Indices 1970 = 100

	Belgium	Luxem-bourg	France[1]	German F.R.	Ireland[2]	Italy[4]	Nether-lands	United Kingdom	EEC[3,4]	*United States*	*Japan*
Weights in EEC	3.8	0.3	23.5	36.5	0.7	12.6	4.4	18.2	100.0	—	—
Weights in total	1.5	0.1	9.0	14.0	0.2	4.9	1.7	7.0	36.4	*48.4*	*13.1*
1968	88	88	84	83	90	91	81	96	87	*99*	*74*
1969	97	100	94	94	97	94	91	100	95	*104*	*88*
1970	100	100	100	100	100	100	100	100	100	*100*	*100*
1971	103	99	106	102	105	99	109	100	103	*100*	*103*
1972	109	103	114	106	109	104	116	102	107	*108*	*110*
1973	116	115	123	114		113	124	111	116	*118*	*130*
1972 1st quarter	108	98	111	104	107	103	113	97	105	*103*	*106*
2nd quarter	109	102	112	105	106	104	115	102	107	*107*	*108*
3rd quarter	109	104	115	105	109	102	116	103	107	*109*	*111*
4th quarter	115	108	117	109	114	108	120	106	111	*113*	*116*
1973 1st quarter	116	114	122	113	121	104	122	110	114	*115*	*124*
2nd quarter	114	112	122	114	119	115	123	110	116	*117*	*128*
3rd quarter	113	115	125	113	118	117	125	112	116	*119*	*131*
4th quarter	119	120	124	115		118	127	110	118	*119*	*135*
1973 January	115	108	122	113		105	122	108	114	*115*	*122*
February	116	116	122	115		104	123	111	115	*116*	*122*
March	117	117	123	112		104	121	112	114	*116*	*127*
April	113	112	119	115		112	123	110	115	*116*	*126*
May	122	114	125	112		114	123	110	116	*117*	*129*
June	108	111	123	115		118	123	111	116	*118*	*129*
July	110	115	126	109		120	122	112	116	*119*	*129*
August	118	115	126	112		114	126	111	116	*119*	*131*
September	110	115	121	118		116	127	112	117	*119*	*132*
October	118	117	125	114		118	127	112	117	*119*	*135*
November	125	125	127	115		117	127	112	118	*120*	*136*
December	114	117	121	117		118	127	107	118	*119*	*134*
1974 January			127	118		125		100		*118*	*134*
February										*117*	*133*
% change latest three months:											
On previous three months	+5.6	+4.1	+0.7	+1.8	−0.8	+3.6	+1.6	−4.8	+1.1	*−1.1*	*−0.5*
On a year earlier	+3.5	+10.8	+4.3	+5.2	+8.3	+13.1	+5.8	−0.3	+6.0	*+2.9*	*+10.1*

[1]Excluding clothing, wood products and furniture.
[2]Mining and manufacturing only.
[3]Excluding Denmark.
[4]Revised figures for Italy from beginning of 1973.
(e) Estimated
Source: 'OECD Main Economic Indicators'

The Business Co-operation Centre

continued from page 6

with not less than 25 employees, with a view to improving reciprocal supply situation in the system software sector; all EEC countries considered.
Languages: German, English.

Reference BRE/672/41-42
German firm manufacturing a number of special branded confectionery products; well-established in West Germany through its own selling organisation; turnover DM40 million; seeks EEC associate with a minimum turnover of DM20 million, with a view to the progressive promotion in West Germany and the Community, on a mutual sales basis, of a number of special branded lines; other new branded products, already in the pre-production stage, about to be launched; objectives: joint research and development and exchange of manufacturing know-how, though much wider co-operation on a partnership or even a merger basis not excluded.
Languages: German, English, French.

Reference BRE/904/324
German company, manufacturing equipment in chromium-nickel steel; turnover DM16 million; 300 employees; modern production facilities; vast experience with automatic control technology and metrology for liquid media; seeks co-operation with EEC firms, same or similar branch, in development, technology, know-how, production, sales.
Languages: German, English, French.

Reference BRE/1134/50
Leading German manufacturer of shuttering, structural units, pre-fabricated houses, modular living units and self-contained sanitation units; turnover DM500 million; 5,600 employees; prepared to share know-how and/or operate joint venture with efficient and financially sound EEC associates with a successful production and marketing record.
Languages: German, English, French.

Reference BRE/938/474
German technical publishing house specialising in economics and foreign trade; turnover DM1 million; publisher of commentaries (leaflet books with monthly supplements) on legal texts, economic provisions and regulations, foreign trade and customs tariffs; seeks European Community associate(s) with a view to co-operation in publishing and sale of trade publications dealing with the full range of EEC economic questions, commentaries in several languages, or trade publications for use as background material by inter-State authorities, institutes and business circles in the European Community.
Languages: German, English.

TABLE 2 **Unemployment** seasonally adjusted

Indices 1970 = 100

	Belgium[1,2]	Denmark[1,3]	France[2,4]	German F.R.[5]	Ireland[1]	Italy[6]	Netherlands[2,5]	United Kingdom[5]	*United States*[6]	*Japan*[7]
1968	147	163	97	218	88	113	147	95	*69*	*108*
1969	120	129	85	120	86	108	115	94	*69*	*104*
1970	100	100	100	100	100	100	100	100	*100*	*100*
1971	100	125	129	126	100	100	135	129	*122*	*111*
1972	123	126	145	166	114	114	235	142	*118*	*119*
1973	130	85	150	199	104	109	239	102	*105*	*107*
1972 1st quarter	114	139	142	143	114	106	207	149	*123*	*119*
2nd quarter	120	140	146	181	114	113	254	147	*120*	*120*
3rd quarter	125	124	148	192	117	121	265	141	*118*	*122*
4th quarter	130	101	145	176	114	117	237	132	*113*	*117*
1973 1st quarter	125	41	140	141	107	107	220	117	*108*	*110*
2nd quarter	127	107	144	187	103	133	263	106	*106*	*108*
3rd quarter	132	100	158	214	106	100	259	99	*105*	*108*
4th quarter	133	97	161	254	102	96	233	86	*104*	*102*
1973 January	125	50	141	131	110	107	202	124	*107*	*111*
February	125	29	139	142	107		217	117	*109*	*108*
March	125	43	139	150	105		239	112	*107*	*110*
April	127	132	143	179	102	133	259	108	*108*	*107*
May	127	83	143	189	102		263	107	*106*	*110*
June	128	105	145	194	105		270	104	*105*	*108*
July	131	107	153	207	105	100	257	102	*103*	*107*
August	131	98	157	216	105		265	99	*103*	*110*
September	134	99	163	219	107		257	95	*108*	*106*
October	137	90	161	237	102	96	248	90	*100*	*106*
November	132	93	159	252	102		235	86	*104*	*104*
December	131	93	162	274	102		217	83	*107*	*96*
1974 January	131	78	164	228	105		222	94	*116*	
February	130		164	240	105		220	97	*116*	
March								96		
Rate %	2.3		2.0	2.8		3.1	3.8	2.4		*1.0*
% change latest three months										
On previous three months	−2.8	−8.0	+1.3	+4.8	+0.1	−4.2	−10.3	+10.9	*+8.4*	*−5.0*
On a year earlier	+3.9	+7.1	+15.7	+72.7	−5.7	−17.9	+4.6	−18.7	*+4.6*	*−12.4*

Note: Figures of total unemployment and unemployment rates are very sensitive to the particular measures used and the sources from which they are obtained. The figures in this table to a large extent reflect the different administrative systems and social-security provisions of the countries concerned.

[1] Insured unemployed. [2] Change of basis during period. [3] Monthly data are weekly averages. [4] Unfilled applications. [5] Registered unemployed.
[6] Based on results of sample survey. [7] Unemployment-insurance beneficiaries.
[8] Numbers in latest month available as % of total employees (UK) and of total labour force (others). (e) estimated. Source: 'OECD Main Economic Indicators,

TABLE 3 **Exports (fob)** Special trade,[1] seasonally adjusted

US$ million*

	Belgium/ Luxembourg	Denmark[2]	France	German F.R.	Ireland[2]	Italy	Netherlands	United Kingdom[2]	EEC	*United States*[2]	*Japan*[2]
1968	8,160	2,580	12,708	24,840	792	10,188	8,340	15,348	64,236	*34,416*	*12,972*
1969	10,068	2,952	15,024	29,052	888	11,724	9,960	17,520	97,200	*37,992*	*15,984*
1970	11,592	3,288	17,940	34,188	1,032	13,188	11,772	19,356	112,356	*43,224*	*19,320*
1971	12,081	3,609	20,592	39,009	1,308	15,177	13,953	22,356	128,084	*44,211*	*23,994*
1972	15,612	4,332	25,777	46,187	1,603	18,576	16,386	24,340	152,813	*49,667*	*28,511*
1973	22,330(e)	6,121	36,115	67,622	2,122	22,024(e)	22,915(e)	30,525	209,774(e)	*71,465*	*36,786* (e)
1972 1st quarter	3,582	1,056	5,913	11,025	369	4,368	3,945	6,044	36,302	*12,045*	*6,675*
2nd quarter	3,821	1,085	6,337	11,472	385	4,487	4,149	6,378	38,114	*11,676*	*6,656*
3rd quarter	3,919	1,055	6,445	11,270	413	4,556	4,025	5,389	37,072	*12,529*	*7,261*
4th quarter	4,290	1,136	7,082	12,420	436	5,165	4,267	6,529	41,325	*13,505*	*7,891*
1973 1st quarter	4,721	1,322	7,630	14,074	467	4,279	5,573	6,865	44,931	*15,692*	*8,266*
2nd quarter	5,273	1,409	8,665	16,106	509	5,170	5,872	7,672	50,676	*16,817*	*8,752*
3rd quarter	6,302	1,729	9,931	18,849	547	6,212	6,123	8,059	57,751	*18,523*	*9,336*
4th quarter	6,034 (e)	1,661	9,889	18,593	599	6,364 (e)	5,347 (e)	7,929	56,416 (e)	*20,433*	*10,432* (e)
1973 January	1,370	396	2,432	4,606	132	1,445	1,759	2,211	14,351	*5,189*	*2,564*
February	1,612	472	2,540	4,776	164	1,603	2,003	2,331	15,501	*5,110*	*3,064*
March	1,739	454	2,658	4,692	171	1,231	1,811	2,323	15,079	*5,393*	*2,638*
April	1,761	419	2,673	5,122	162	1,454	1,793	2,530	15,914	*5,607*	*2,909*
May	1,740	494	2,891	5,550	172	1,685	2,027	2,459	17,018	*5,518*	*2,920*
June	1,772	496	3,101	5,434	175	2,031	2,052	2,683	17,744	*5,692*	*2,923*
July	2,007	593	3,369	6,008	179	2,147	2,069	2,652	19,024	*5,895*	*3,167*
August	2,170	485	3,228	6,456	185	1,966	1,960	2,660	19,110	*5,996*	*2,960*
September	2,125	651	3,334	6,385	183	2,098	2,094	2,747	19,617	*6,632*	*3,209*
October	2,102	563	3,311	6,766	201	2,054	1,638 (e)	2,653	19,288 (e)	*6,510*	*3,280*
November	1,885	532	3,394	6,474	186	1,958	1,788 (e)	2,703	18,920 (e)	*6,907*	*3,689*
December	2,047 (e)	566	3,184	5,353	212	2,367 (e)	1,921 (e)	2,573	18,208 (e)	*7,016*	*3,463* (e)
1974 January			3,412	6,840 (e)	178		2,252 (e)	2,442		*7,111* (e)	*3,714* (e)
February			3,515 (e)	6,709 (e)				2,850		*7,063* (e)	*3,739* (e)
% change in dollar terms latest three months											
On previous three months	−4.3	−3.9	+0.6	−1.8	+1.2	+9.5	+4.7	−2.9	−2.3	*+8.4*	*+7.3*
On a year earlier	+40.7	+46.2	+33.9	+43.0	+36.8	+37.4	+28.3	+18.5	+36.5	*+46.6*	*+30.0*
% change in national currencies latest three months											
On previous three months	+3.1	+2.4	+13.5	+7.5	+7.1	+13.7	+14.0	+3.1	+3.7[3]	*+8.4*	*+14.7*
On a year earlier	+25.2	+27.9	+30.6	+23.1	+34.3	+39.9	+12.1	+26.6	+20.5[3]	*+46.6*	*+24.0*

[1] For most purposes special trade may be defined as trade excluding re-exports. [2] General trade. [3] Weighted average of percentage changes in national currencies.
* All values are expressed in US dollars, making use of IMF parity rates as quoted in 'OECD Main Economic Indicators'.
(e) estimated.
Source: United Kingdom: Department of Trade
All others: 'OECD Main Economic Indicators'.

TABLE 4 **Imports (cif)** Special trade[1], seasonally adjusted

US$ million*

	Belgium/ Luxem-bourg	Den-mark[2]	France	German F.R.	Ireland[2]	Italy	Nether-lands	United Kingdom[2]	EEC	*United States*[2,3]	*Japan*[2]
1968	8,304	3,216	13,980	20,148	1,176	10,248	9,288	18,960	85,320	*33,108*	*12,984*
1969	9,984	3,804	17,388	24,924	1,416	12,444	10,992	19,956	100,908	*36,048*	*15,024*
1970	11,352	4,380	19,116	29,808	1,572	14,940	13,392	21,720	116,280	*39,960*	*18,876*
1971	12,390	4,476	21,261	34,356	1,838	16,026	15,159	23,897	129,403	*45,633*	*19,716*
1972	14,903	4,971	26,665	39,783	2,113	19,284	17,142	27,831	152,692	*55,800*	*23,463*
1973	21,677 (e)	7,447	37,604	54,662	27,55	27,879 (e)		38,836		*69,105*	*38,316*
1972 1st quarter	3,573	1,185	6,354	9,435	495	4,458	4,095	6,848	36,443	*13,455*	*5,400*
2nd quarter	3,630	1,136	6,454	9,997	511	4,610	4,234	6,954	37,526	*13,200*	*5,456*
3rd quarter	3,721	1,301	6,606	9,836	511	4,895	4,233	6,530	37,633	*14,056*	*5,955*
4th quarter	3,979	1,349	7,251	10,515	596	5,321	4,580	7,499	41,090	*15,089*	*6,652*
1973 1st quarter	4,704	1,570	7,922	11,845	618	5,355	5,416	8,275	45,706	*16,173*	*7,355*
2nd quarter	5,241	1,753	9,004	13,168	657	6,700	5,687	9,426	51,636	*16,587*	*9,269*
3rd quarter	5,896	2,026	10,358	14,553	744	7,837	6,717	10,238	58,369	*17,616*	*10,122*
4th quarter	5,386 (e)	2,098	10,320	15,096	735	7,987 (e)		10,895		*18,729*	*11,570*
1973 January	1,543	546	2,515	3,704	196	1,675	1,732	2,583	14,494	*5,260*	*2,254*
February	1,555	506	2,649	4,144	207	2,124	1,823	2,685	15,693	*5,512*	*2,445*
March	1,606	518	2,758	3,997	215	1,556	1,861	3,007	15,519	*5,401*	*2,656*
April	1,639	503	2,662	4,031	209	1,906	1,878	2,884	15,712	*5,273*	*2,881*
May	1,791	620	3,102	4,514	214	2,190	1,892	3,253	17,576	*5,580*	*3,093*
June	1,811	630	3,240	4,623	234	2,604	1,917	3,289	18,348	*5,734*	*3,290*
July	1,902	676	3,539	4,844	263	2,393	2,375	3,294	19,286	*5,767*	*3,256*
August	1,967	678	3,383	4,904	246	2,593	2,093	3,468	19,332	*5,956*	*3,587*
September	2,027	672	3,436	4,805	235	2,851	2,249	3,476	19,751	*5,893*	*3,279*
October	2,097	739	3,614	5,403	257	2,600		3,746		*5,863*	*3,621*
November	1,933 (e)	737	3,432	5,112	254	2,205		3,625		*6,720*	*3,840*
December	1,806 (e)	622	3,274	4,581	224	3,182 (e)		3,526		*6,146*	*4,109*
1974 January			3,510	5,176 (e)	233			3,497		*6,467* (e)	*4,160* (e)
February			3,823 (e)	4,738 (e)				4,101		*7,390* (e)	*4,960* (e)
% change in dollar terms latest three months											
On previous three months	−1.0	+3.6	+29.8	−5.4	−3.7	+1.9	+18.1	+2.6	+13.0	*+8.3*	*+23.2*
On a year earlier	+46.7	+55.5	+75.8	+27.8	+18.5	+50.1	+58.7	+44.4	+55.1	*+25.5*	*+88.0*
% change in national currencies latest three months											
On previous three months	+6.6	+10.4	+46.4	+3.6	+1.9	+5.8	+7.9	+9.0	+6.0[4]	*+8.3*	*+31.6*
On a year earlier	+30.6	+36.1	+70.9	+10.0	+16.4	+52.8	+28.1	+54.2	+32.1	*+25.5*	*+79.4*

[1] For most purposes special trade may be defined as trade excluding re-exports. [2] General trade. [3] *fob.* [4] Weighted average of percentage changes in national currencies
* All values are expressed in US dollars with the use of IMF parity rates as quoted in 'OECD Main Economic Indicators'.
(e) estimated. Source: United Kingdom; Department of Trade. All others: 'OECD Main Economic Indicators'

TABLE 5 **Balance of Payments on Current Account**

US$ million (unadjusted)

	Belgium/ Luxem-bourg	Den-mark	France	German F.R.	Ireland	Italy	Nether-lands	United Kingdom	*United States*	*Japan*
1968	28	−216	−1,089	2,726	− 62	2,627	65	−682	*− 444*	*1,048*
1969	74	−410	−1,818	1,609	−191	2,339	31	1,068	*−1,049*	*2,119*
1970	748	−539	− 152	730	−188	761	−474	1,661	*415*	*1,970*
1971	874	−422	525	175	205	1,785	−172	2,588	*−2,789*	*5,797*
1972	1,136	− 75	285	398	−162	1,451	1,051	221	*−8,688*	*6,623*
1973								−3569		
1971 1st quarter	**156**	**−194**	**− 36**	**210**		**−125**	**−153**	**154**	***677***	***434***
2nd quarter	**232**	**−127**	**125**	**− 68**		**245**	**−175**	**833**	***− 689***	***1,262***
3rd quarter	**189**	**− 31**	**13**	**−232**		**1,158**	**50**	**900**	***−2,191***	***2,100***
4th quarter	**297**	**− 97**	**425**	**265**		**507**	**106**	**701**	***− 586***	***2,001***
1972 1st quarter	279	− 39	− 324	− 52		607	5	− 73	*−1,852*	*958*
2nd quarter	215	46	445	−125		699	267	476	*−2,473*	*1,212*
3rd quarter	235	− 36	− 3	−485		577	382	−355	*−3,331*	*2,084*
4th quarter	407	− 46	167	1,059		−433	397	173	*−1,032*	*2,369*
1973 1st quarter	345	−147	− 191	207		−914		−878	*− 80*	*482*
2nd quarter	226	−171	426	528		−839		−468	*− 295* (e)	*−402* (e)
3rd quarter	200			863				−808	*− 649* (e)	*158* (e)
4th quarter								−1,415		

Source: UK: Central Statistical Office. All others: IMF International Financial Statistics

TABLE 6 **Export Unit Values of Manufactures**

Indices 1970 = 100

	Belgium/ Luxem-bourg		France		German F.R.		Italy		Nether-lands[1]		United Kingdom		*United States*	*Japan*	
	US$	Bfrs.	US$	frs.	US$	D.M.	US$	lire	US$	Gdrs.	US$	£	US$	US$	Yen
1968	91	91	96	85	88	96	92	92	95	95	90	90	*91*	*90*	*90*
1969	95	95	97	90	92	93	95	95	97	97	93	93	*95*	*95*	*95*
1970	100	100	100	100	100	100	100	100	100	100	100	100	*100*	*100*	*100*
1971	101	98	106	106	108	103	106	107	107	103	110	109	*102*	*104*	*101*
1972	115	101	116	107	119	104	115	107	117	105	122	117	*105*	*115*	*98*
1973															
1972 1st quarter	113	100	114	105	118	104	114	106	118	106	123	114	*104*	*112*	*96*
2nd quarter	117	103	114	105	118	104	114	106	117	105	125	116	*105*	*115*	*98*
3rd quarter	114	100	116	107	122	107	116	107	117	105	121	118	*104*	*116*	*99*
4th quarter	116	103	118	108	119	104	116	108	118	106	117	119	*106*	*119*	*102*
1973 1st quarter			127	111	128	105	120	111	126	107	122	121	*107*	*125*	*96*
2nd quarter			142	113	141	106	122	116	138	108	131	124	*110*	*138*	*101*
3rd quarter			153	115			132	121	156	113	133	129	*115*		
4th quarter													*119*		
% change latest 3 months:															
On previous 3 months	+1.8	+3.0	+7.7	+1.8	+10.2	+1.0	+8.2	+4.3	+13.0	+4.6	+1.5	+4.0	*+3.5*	*+10.4*	*+5.2*
On a year earlier	+8.4	+4.0	+31.9	+7.5	+19.5	+1.9	+13.8	+13.1	+33.3	+7.6	+9.9	+9.3	*+12.3*	*+20.0*	*+3.1*

(e) estimated. Source: Dollar value: 'United Nations Monthly Bulletin'. National currency: Dollar values converted at OECD exchange rates as quoted in 'Series A'
[1] No quarterly series available for 1971.

TABLE 7 **Consumer prices** All goods and services

Indices 1970 = 100

	Belgium[1]	Luxembourg[1]	Denmark	France[2]	German F.R.	Ireland	Italy	Netherlands	United Kingdom	*United States*	*Japan*[2]
1968	92	93	91	89	93	86	93	89	90	*90*	*88*
1969	96	96	94	95	96	92	95	96	94	*94*	*93*
1970	100	100	100	100	100	100	100	100	100	*100*	*100*
1971	104	105	106	105	105	109	105	108	109	*104*	*106*
1972	110	110	113	112	111	118	111	116	117	*108*	*111*
1973	118	117	124	120	119	132	123	125	128	*114*	*124*
1972 1st quarter	108	108	110	109	109	115	108	113	114	*106*	*108*
2nd quarter	109	109	112	110	110	117	109	115	116	*107*	*111*
3rd quarter	111	111	114	113	112	120	111	116	118	*108*	*111*
4th quarter	113	113	116	115	114	122	114	119	121	*109*	*113*
1973 1st quarter	115	114	118	116	116	126	117	121	123	*111*	*116*
2nd quarter	117	117	122	118	119	130	122	125	127	*113*	*123*
3rd quarter	118	117	125	121	120	133	124	126	129	*116*	*126*
4th quarter	121	119	129	124	122	137	128	129	133	*118*	*131*
1973 January	115	114	117	115	116		116	121	122	*110*	*114*
February	115	114	118	116	116	126	117	121	123	*111*	*115*
March	116	115	119	116	117		119	122	124	*112*	*118*
April	116	116	120	117	118		120	124	126	*112*	*121*
May	117	117	122	118	119	130	122	125	127	*113*	*123*
June	117	117	123	119	120		123	125	128	*114*	*123*
July	118	117	124	120	120		124	125	128	*114*	*124*
August	118	117	124	121	119	133	124	126	129	*116*	*125*
September	119	118	126	122	120		125	127	130	*117*	*129*
October	120	118	127	123	121		126	128	132	*118*	*129*
November	120	119	129	125	122	137	128	129	133	*118*	*130*
December	122	120	131	125	123		129	130	134	*119*	*135*
1974 January	123	121	134	127	124		131	130	137	*120*	*141*
February	125	124	135	129	125		133	131	139	*122*	*146*
March	126	125									
% change latest three months:											
On previous three months	+3.5	+3.3	+4.6	+3.2	+2.7	+2.8	+3.8	+1.8	+3.8	*+2.4*	*+8.7*
On a year earlier	+8.4	+7.9	+13.6	+10.1	+7.6	+12.7	+12.7	+8.1	+12.0	*+9.4*	*+22.9*

[1] Excluding rent. [2] Change of basis during period. (e) estimated.

Source: 'OECD Main Economic Indicators'.

TABLE 8 **Value of retail sales** Current prices, seasonally adjusted

Indices 1970 = 100

	Belgium[1]/ Luxembourg	Denmark	France[2]	German F.R.[3]	Ireland[4]	Italy[1]	Netherlands	Great Britain[5]	*United States*	*Japan*
1968	83	82	88	82	83	84	80	89	*92*	*80*
1969	90	90	97	90	91	90	89	93	*95*	*89*
1970	100	100	100	100	100	100	100	100	*100*	*100*
1971	107	108	104	111	111	108	108	109	*109*	*110*
1972	122	119	110	120	125	119	120	123	*119*	*118*
1973		134	117	129	148			139	*134*	
1972 1st quarter	115	113	106	117	119	113	115	116	*114*	*111*
2nd quarter	121	118	108	118	122	112	119	119	*117*	*114*
3rd quarter	127	122	111	122	126	121	120	125	*120*	*120*
4th quarter	123	122	111	122	132	126	123	130	*125*	*124*
1973 1st quarter	131	128	112	130	141	131	126	135	*132*	*135*
2nd quarter	134	129	116	128	147	134	129	133	*132*	*139*
3rd quarter	137	138	114	128	149		132	140	*136*	*147*
4th quarter		142	124	130	152			147	*137*	
1973 January	126	127	112	127	137	122	124	131	*130*	*131*
February	134	128	112	134	145	133	128	135	*132*	*134*
March	133	126	111	128	143	139	125	139	*134*	*139*
April	130	128	111	129	142	133	124	131	*132*	*138*
May	134	127	120	129	148	136	130	132	*133*	*139*
June	137	134	115	127	151	134	131	136	*132*	*141*
July	135	135	114	129	143	135	126	138	*137*	*145*
August	141	137	113	128	158	144	137	139	*135*	*145*
September	140	139	116	128	147		132	141	*136*	*151*
October		141	126	132	151		135	146	*138*	*153*
November		141	120	129	155			147	*137*	*159*
December		142	124	129	151			149	*135*	
1974 January			129					147	*137*	
February									*136*	
% change latest three months:										
On previous three months	+2.2	+3.4	+5.1	+1.3	+2.0	+1.2	+4.4	+4.0	*−0.8*	*+7.4*
On a year earlier	+10.1	+15.8	+13.4	+6.3	+15.1	+20.4	+8.6	+12.7	*+5.1*	*+25.8*

[1] Department stores. [2] Department and chainstores. [3] Excluding West Berlin. [4] Average weekly sales. [5] Excluding motor vehicles.

Source: 'OECD Main Economic Indicators'.

TABLE 9 **Earnings/wages per head in manufacturing** Indices 1970 = 100

	Belgium/ Luxem-bourg	Den-mark[1, 2]	France[3]	German F.R.[7, †]	Ireland[3]	Italy[8]	Nether-lands[4]	United Kingdom†	*United States*[5]	*Japan*[6 †]
1968	84	81	82	79	76	78	82	81	*90*	*73*
1969	92	90	91	87	86	83	90	89	*95*	*85*
1970	100	100	100	100	100	100	100	100	*100*	*100*
1971	111	115	110	116	116	113	112	111	*106*	*114*
1972	127	129	120	121	133	124	126	126	*113*	*132*
1973						154	142	142	*121*	*163*
1971 1st quarter	107	108	104	108	110	109	107	108	*104*	*108*
2nd quarter	110	114	107	109	114	111	110	111	*106*	*111*
3rd quarter	112	117	110	113	118	114	114	112	*106*	*116*
4th quarter	115	121	113	112	122	116	116	115	*108*	*117*
1972 1st quarter	122	123	115	116	127	119	122	121	*111*	*123*
2nd quarter	124	128	118	120	131	121	124	124	*112*	*129*
3rd quarter	129	130	121	122	135	126	128	127	*113*	*131*
4th quarter	132	135	126	126	140	130	129	131	*116*	*138*
1973 1st quarter	140	137	128	130	145	137 (e)	136	134	*118*	*145*
2nd quarter	144	147	133	135	157	150 (e)	140	139	*120*	*155*
3rd quarter	149		138		164	161 (e)	145	144	*122*	*160*
						167 (e)	147	149	*124*	*175*
% change latest three months:										
On previous three months	+3.5	+7.3	+3.7	+3.6	+4.5	+4.0	+0.7	+3.8	*+1.9*	*+9.1*
On a year earlier	+15.5	+14.8	+13.5	+12.5	+21.5	+28.7	+14.0	+13.4	*+7.2*	*+27.1*

† Seasonally adjusted.
[1] Earnings in industry and construction. [2] Including bonuses. [3] Earnings. [4] Hourly earnings industry: males. [5] Gross hourly earnings per productive worker.
[6] Monthly earnings in manufacturing: regular workers. [7] Wages and salaries per employed person in industry, excluding construction, public gas and electricity undertakings.
[8] Hourly-rates times average daily hours worked. Source: All countries 'OECD Main Economic Indicators', except German Federal Republic ('Monatsberichte der Deutschen Bundesbank', Reihe 4), Italy ('I.L.O. Yearbook' and 'M.E.I.') and United Kingdom ('Department of Employment Gazette').

Renegotiation

continued from page 2

11. Finally, I come to the Community budget. Here fundamental changes are required. Britain's income per head and her rate of growth are lower than in many of your countries. I take it you would agree that the out-turn of the Community budget should not in all justice result in massive subsidies across the exchanges from my country to yours. This is not acceptable.

12. We are not asking for charity. We seek a fair deal. In 1973 only paying 8½ per cent of the Community budget in accordance with the transitional key, we were already the second largest net contributors. At the end of our normal transitional period we shall be paying over 19 per cent, well over the 16½ per cent which is our likely share of GNP at that time. If the full 'own resources' system were to be applied to us with no changes in 1980, we should find ourselves paying still more, perhaps several percentage points more, of the Community budget—in even sharper contrast with the relatively low share of GNP we can then expect to have. I am sure you will agree that something must be done about that. Britain cannot accept a permanent drain across the exchanges of several hundred million pounds sterling a year.

13. You will wish to know how we would propose that this renegotiation should proceed. I can assure the Council that we do not wish to disrupt the work of the Community more than is necessary during the period of renegotiation.

14. I shall come back to the Council at an early date with detailed proposals on the Common Agricultural Policy, the treatment of the Commonwealth and of developing countries, the Community budget and other areas of difficulty in the economic field. I hope you will agree then to have a general discussion; and to agree how certain of our requests for changes in the Community's arrangements should be handled.

15. Our initial approach will be to seek changes in the Community's policies and decisions which will meet our needs. We must see how we go and where we get. But we shall have to reserve the right to propose changes in the Treaties if it should turn out that essential interests cannot be met without them. I must also reserve the right to propose changes in the Treaties, if we find that in practice the existing rules, as they are interpreted, interfere with the powers over the British economy which we need to pursue effective regional, industrial and fiscal policies.

16. I have spoken so far today about bread and butter issues for these are very important to all our people. But we are also deeply concerned about the politics of the Community; about the broad direction which it is going to take both in its internal development and in its relations with other countries or groups of countries.

17. The image of the Community in the United Kingdom is not good. My country wishes to remain a member of an effective Atlantic Alliance; and there is therefore concern about the degree of disagreement between the Community and the United States. Surely this is not inevitable. If the British people thought it was, it would adversely influence their attitude towards the development of the Community.

18. We shall not always be able to agree with the United States but the Community in devising its procedures and its common positions must always try to work with America whenever it can. Conversely America must try and work with us. Only if the Nine work harmoniously with the United States on both economic issues in the framework of the Community and on political issues in the framework of political co-operation, shall we surmount the difficulties to which President Nixon and Dr. Kissinger have recently drawn attention.

19. We should also like to work with you to produce a stable, healthy and co-operative relationship with all those countries or groups of countries with whom Europe's life is intimately connected, for example with Japan, Canada and other industrialised countries; with the Commonwealth and the Community's Associates; with the Arab countries; and with the Soviet Union and Eastern Europe.

20. We are ready to intensify political consultation and co-operation. But before we can do so we need to agree on our broad aims. I should certainly like to see if we can do this together. The informal meeting to which our President has so kindly invited us later this month will provide an excellent opportunity.

21. So to conclude we shall work for an early and successful result to what we in Britain have come to call renegotiation. Meanwhile we shall participate in the work of the Community and act in accordance with Community procedures, subject only to not proceeding with further processes of integration if these seem likely to prejudge the outcome of the negotiations. Our aim will be to get an agreement which can be regarded as providing a fair balance of advantage for each of our countries. If this can be achieved successfully, renegotiation will not damage the Community but will strengthen it.

Printed for Her Majesty's Stationery Office at the Garden City Press Ltd., Letchworth, Herts. SG6 1JS.